

AMENDED IN ASSEMBLY AUGUST 7, 2012

AMENDED IN ASSEMBLY JUNE 25, 2012

AMENDED IN ASSEMBLY JUNE 20, 2012

AMENDED IN SENATE JANUARY 10, 2012

AMENDED IN SENATE MAY 4, 2011

AMENDED IN SENATE MARCH 22, 2011

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**SENATE BILL****No. 803**

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**Introduced by Senator DeSaulnier**

February 18, 2011

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An act to add Article 9.5 (commencing with Section 33425) to Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code, and to add and repeal Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, relating to youth education.

LEGISLATIVE COUNSEL'S DIGEST

SB 803, as amended, DeSaulnier. California Youth Leadership Project.

Existing law establishes the State Department of Education under the administration of the Superintendent of Public Instruction, and provides for numerous duties of the department with respect to the education of youth.

This bill would establish the California Youth Leadership Project under the State Department of Education for the purpose of supporting and promoting youth civic engagement by awarding scholarships, in accordance with specified criteria, to youth and civic engagement

programs for youth from 14 to 18 years of age. The bill would create the California Youth Leadership Project Committee, which would be chaired by the Superintendent of Public Instruction and be composed of specified appointed members. The bill would authorize the committee to enter into an interagency agreement with the State Department of Education to carry out necessary administrative functions. The committee also would be charged with determining when there are sufficient funds to support the program, and if it determines that there are insufficient funds to cover all costs, the activities of the project would cease.

The Personal Income Tax Law authorizes taxpayers to contribute amounts in excess of their tax liability for the support of specified funds.

This bill would create in the State Treasury the California Youth Leadership Fund to receive contributions from tax return designations to support the California Youth Leadership Project. The bill would allocate all moneys transferred to the California Youth Leadership Fund, ~~as prescribed~~, upon appropriation by the Legislature, to the Franchise Tax Board and the Controller for the reimbursement of costs incurred, and to the State Department of Education to provide for the California Youth Leadership Project. The bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Youth Leadership Fund on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years. The bill also would authorize the California Youth Leadership Committee to accept gifts and grants from any source to help perform its functions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) The Legislature finds and declares that the
- 2 needs of California's youth can best be assessed by California's
- 3 youth.
- 4 (b) The Legislature recognizes that there are more than
- 5 9,000,000 youth under 19 years of age in California, and an
- 6 additional 3,000,000 more young adults between 18 and 24 years
- 7 of age.

1 (c) The Legislature recognizes that all young people need five  
2 key developmental resources in order to become productive  
3 citizens: caring adults, safe places, a healthy start, an effective  
4 education, and opportunities to help others. The Legislature further  
5 recognizes that young people who receive more of these  
6 developmental resources fare better than young people who receive  
7 fewer, and that those young people are more likely to avoid  
8 violence, contribute to their communities, and achieve high grades  
9 in school. The Legislature further recognizes the significant number  
10 of California's youth who live disadvantaged lives. Of those youth,  
11 an estimated 200,000 minors and thousands more youth between  
12 18 and 24 years of age experience homelessness each year. Another  
13 60,000 youth are in the foster care system, over 1,250 youth in  
14 California currently occupy juvenile justice facilities, and more  
15 than 2,500 youth are on parole from those facilities. Youth who  
16 are homeless, in the juvenile justice system, or in foster care have  
17 limited opportunities to participate in the policy process that  
18 ultimately impacts their well-being.

19 (d) The Legislature recognizes that there are limited civic  
20 engagement opportunities for these disconnected and disadvantaged  
21 youth, especially opportunities developed and designed for and  
22 with them in mind.

23 (e) The Legislature is alarmed that hundreds of thousands of  
24 California youth are among the two-thirds of America's children  
25 and youth recently identified by the America's Promise Alliance  
26 as not receiving sufficient developmental resources to safely put  
27 them on the path to adulthood. The Legislature also is concerned  
28 that the high school completion rate is less than 60 percent for  
29 low-income pupils and pupils of color in California, that gang and  
30 youth violence continue to be a concern and, although birth rates  
31 to teen mothers have decreased, teen pregnancy and parenting  
32 continues to be a significant social problem in California. The  
33 Legislature is encouraged, however, by research indicating that  
34 providing more of the five developmental resources for more young  
35 people can help prevent many of these problems, and that millions  
36 of dollars in later prison, health, and welfare costs can be avoided  
37 by providing more developmental resources for more young people  
38 now.

39 (f) The Legislature also agrees with the America's Promise  
40 Alliance's call for greater collaboration and integration in working

1 to turn failure into action and improve the lives of young people  
2 at risk and with the actions of the more than 20 states that have  
3 committed their state resources for the creation of statewide entities  
4 charged with improving the developmental well-being of their  
5 children and youth.

6 (g) The Legislature further acknowledges that youth with  
7 disabilities often face even greater obstacles and barriers to  
8 educational attainment and civic engagement opportunities than  
9 their nondisabled peers and could benefit from outreach efforts to  
10 participate in the California Youth Leadership Project. The most  
11 recent data ~~reveals~~ *reveal* significant disparities in achievement  
12 between disabled and nondisabled youth. While 12 percent of the  
13 nondisabled do not have a high school diploma, 28 percent of  
14 people with disabilities do not have a high school diploma. In  
15 addition, only 4 percent of people with disabilities hold a college  
16 degree, compared to 14 percent of those without a disability.

17 (h) The Legislature also believes that the quality of an  
18 educational program directly impacts the ability of disabled youth  
19 to live independently as adults. Nationally, only 29 percent of  
20 youth with disabilities between the ages of 20 to 24 are employed,  
21 which is far below the 60 percent figure for nondisabled youth.  
22 Moreover, the unemployment figure for adults with disabilities  
23 later rises to an astonishing rate of 72 percent.

24 SEC. 2. Article 9.5 (commencing with Section 33425) is added  
25 to Chapter 3 of Part 20 of Division 2 of Title 2 of the Education  
26 Code, to read:

27  
28 Article 9.5. California Youth Leadership Project  
29

30 33425. (a) The California Youth Leadership Project is hereby  
31 established under the department for the purpose of promoting  
32 youth civic engagement through meaningful opportunities to  
33 improve the quality of life for California's disconnected and  
34 disadvantaged youth.

35 (b) The California Youth Leadership Project shall support and  
36 promote youth civic engagement by awarding scholarships to youth  
37 between 14 and 18 years of age. Furthermore, youths awarded  
38 scholarships by the California Youth Leadership Project shall be  
39 given the opportunity to make meaningful recommendations  
40 regarding legislation and policies that impact their own lives and

1 the lives of the thousands of other youth in California whose voices  
2 often go unheard. An organization that operates civic engagement  
3 programs may submit applications for participation in the project  
4 on behalf of interested youth.

5 (c) The California Youth Leadership Project shall allocate  
6 scholarship award funds to organizations that submit applications  
7 on behalf of youth who are selected to receive scholarship awards  
8 under this article. These organizations shall do, ~~but not necessarily~~  
9 ~~be limited to,~~ *without limitation*, all of the following for the youth  
10 who receive scholarship awards under this article:

11 (1) Provide youth participants tools to examine and discuss  
12 policy and fiscal issues affecting the interests, needs, and conditions  
13 of the youth of California.

14 (2) Provide youth participants the opportunity to formally advise  
15 and make recommendations to the Legislature and the Governor  
16 on specific issues affecting youth. These issues may include, but  
17 need not be limited to, all of the following:

- 18 (A) Education.
- 19 (B) Employment.
- 20 (C) Access to state and local governmental services.
- 21 (D) The environment.
- 22 (E) Behavioral and physical health.
- 23 (F) Safety.
- 24 (G) Technology.
- 25 (H) Criminal justice.
- 26 (I) Homelessness.
- 27 (J) Foster care.
- 28 (K) Child welfare.
- 29 (L) Emancipation.
- 30 (M) Financial literacy.
- 31 (N) Substance abuse.
- 32 (O) Driver's license requirements.
- 33 (P) Poverty.
- 34 (Q) Increased youth participation in state and local government.
- 35 (R) Any other policy or fiscal issues deemed appropriate by the  
36 department.

37 (3) Provide youth participants the opportunity to consult with  
38 any existing local level youth advisory commissions and  
39 community-based, grassroots youth-led organizations for input  
40 and potential solutions on issues related to youth.

1 (4) Provide youth participants the opportunity to convene and  
2 conduct meetings to fulfill the purposes of this chapter.

3 (5) Provide youth participants the opportunity to act as an  
4 information center on California youth policy and fiscal issues,  
5 including, but not limited to, the issues listed in paragraph (2).

6 (6) When available, enable individual youth to travel to the State  
7 Capitol to learn the legislative process and, on occasion, to testify  
8 at legislative hearings.

9 (d) An organization that receives a scholarship award on behalf  
10 of youth under this article shall use these funds only for  
11 youth-related activities described in subdivision (c).

12 33426. (a) The California Youth Leadership Project shall be  
13 overseen by the California Youth Leadership Project Committee.

14 (b) The California Youth Leadership Project Committee shall  
15 be established and oversee the California Youth Leadership Project  
16 and distribute funds pursuant to Article 4.5 (commencing with  
17 Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
18 Revenue and Taxation Code and this article.

19 (c) Members of the California Youth Leadership Project  
20 Committee, in making youth scholarship awards, shall take into  
21 consideration that awarded youth represent the racial, ethnic,  
22 socioeconomic, cultural, physical, and educational diversity of  
23 California. Priority for awarding scholarships under this article  
24 shall be given to at-risk or disadvantaged youth between 14 and  
25 18 years of age, as their participation in the California Youth  
26 Leadership Project will provide keen insight into many of the  
27 issues that youth face in their day-to-day lives.

28 (d) (1) The California Youth Leadership Project Committee  
29 shall be chaired by the Superintendent, or his or her designee, and  
30 shall include no more than six members.

31 (2) The Superintendent shall appoint the following four members  
32 to the California Youth Leadership Project Committee:

33 (A) A representative from a statewide nonprofit youth  
34 organization.

35 (B) A representative from a community-based nonprofit  
36 organization that serves youth or deals with youth-related issues.

37 (C) A representative of a local educational agency or school  
38 district.

39 (D) A youth between 14 and 18 years of age who has  
40 participated in a youth leadership program involving lobbying the

1 Legislature on issue areas affecting youth. This person shall serve  
2 only in an advisory capacity.

3 (3) The California Health and Human Services Agency may  
4 also, but is not required to, appoint a member to the California  
5 Youth Leadership Project Committee.

6 (4) To the extent possible, a member of the California Youth  
7 Leadership Project Committee, appointed under any of  
8 subparagraphs (A) to (C), inclusive, of paragraph (2) shall have  
9 experience and be trained to work with youth between 14 and 18  
10 years of age on any of the issues described in subdivision (c) of  
11 Section 33426, and shall have special experience in civic  
12 engagement, advocacy, and at least one of the following issue  
13 areas affecting youth:

14 (A) Crisis prevention or intervention.

15 (B) Drug, alcohol, and tobacco abuse prevention or intervention.

16 (C) Foster care.

17 (D) Juvenile justice.

18 (E) Homelessness.

19 (F) Lesbian, gay, bisexual, and transgender rights and social  
20 justice.

21 (G) Mental health.

22 (e) The members of the California Youth Leadership Project  
23 Committee shall serve on a voluntary basis and shall not receive  
24 a salary.

25 33427. Duties of the California Youth Leadership Project  
26 Committee shall include, but not be limited to, all of the following:

27 (a) Develop and provide applications for the *California* Youth  
28 Leadership Project scholarship and collect applications from youth  
29 who would like to apply.

30 (b) Determine ways to promote the program and make  
31 applications available.

32 (c) Establish criteria for the selection of youth, and make awards  
33 based on those criteria and the purposes of this chapter.

34 (d) Ensure that there is no discrimination based on race, religious  
35 creed, color, national origin, age, gender, marital status, disability,  
36 sex, or sexual orientation.

37 (e) Establish the time, location, and number of annual meetings  
38 of the committee. The committee shall meet no less than once each  
39 year.

1 (f) If necessary, enter into a mutually agreed upon interagency  
2 agreement with the department to carry out administrative duties  
3 related to the project.

4 (g) Submit an annual budget and report to the State Department  
5 of Education department.

6 (h) (1) Determine when there are sufficient funds to support  
7 the project. If the committee determines that there are insufficient  
8 funds to cover all costs, the activities of the California Youth  
9 Leadership Project shall cease.

10 (2) State funds shall not be used to support the California Youth  
11 Leadership Project except as provided in Article 4.5 (commencing  
12 with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
13 Revenue and Taxation Code.

14 33428. (a) The funds for the California Youth Leadership  
15 Project shall be allocated from the California Youth Leadership  
16 Fund pursuant to Article 4.5 (commencing with Section 18736)  
17 of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation  
18 Code, or from private funds directed to the department and  
19 allocated to the California Youth Leadership Project Committee  
20 for the purpose of funding activities of the California Youth  
21 Leadership Project.

22 (b) The California Youth Leadership Project may accept gifts  
23 and grants from any source, public or private, to help perform its  
24 functions, pursuant to this article.

25 (c) The California Youth Leadership Project Committee shall  
26 have the authority to define its program and utilize its funds in any  
27 way necessary to carry out the duties of this article, including, but  
28 not limited to, partnering with nonprofit groups or state agencies  
29 to perform various duties required by this article, as long as the  
30 program or activity is not in violation of a state law or regulation.

31 SEC. 3. Article 4.5 (commencing with Section 18736) is added  
32 to Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation  
33 Code, to read:

34  
35 Article 4.5. California Youth Leadership Fund  
36

37 18736. (a) An individual may designate on the tax return that  
38 a contribution in excess of the tax liability, if any, be made to the  
39 California Youth Leadership Fund established by Section 18737.



1 (b) The contributions shall be in full dollar amounts, and may  
2 be made individually by each signatory on a joint return.

3 (c) A designation under subdivision (a) shall be made for any  
4 taxable year on the original return for that taxable year, and once  
5 made shall be irrevocable. In the event that payments and credits  
6 reported on the return, together with any other credits associated  
7 with the individual's account, do not exceed the individual's tax  
8 liability, the return shall be treated as though no designation has  
9 been made.

10 (d) If an individual designates a contribution to more than one  
11 account or fund listed on the tax return, and the amount available  
12 is insufficient to satisfy the total amount designated, the  
13 contribution shall be allocated among the designees on a pro rata  
14 basis.

15 (e) The Franchise Tax Board shall revise the form of the return  
16 to include a space labeled "California Youth Leadership Fund" to  
17 allow for the designation permitted under subdivision (a). The  
18 form shall also include in the instructions information that the  
19 contribution may be in the amount of one dollar (\$1) or more and  
20 that the contribution shall be used to support the California Youth  
21 Leadership Project.

22 (f) Notwithstanding any other provision, a voluntary contribution  
23 designation for the California Youth Leadership Fund shall be  
24 added on the tax return when another voluntary contribution  
25 designation is removed or as soon as space is available on the tax  
26 return.

27 (g) A deduction shall be allowed under Article 6 (commencing  
28 with Section 17201) of Chapter 3 of Part 10 for any contribution  
29 made pursuant to subdivision (a).

30 18737. There is hereby established in the State Treasury the  
31 California Youth Leadership Fund to receive contributions made  
32 pursuant to Section 18736. The Franchise Tax Board shall notify  
33 the Controller of both the amount of money paid by taxpayers in  
34 excess of their tax liability and the amount of refund money that  
35 taxpayers have designated pursuant to Section 18736 to be  
36 transferred to the California Youth Leadership Fund. The  
37 Controller shall transfer from the Personal Income Tax Fund to  
38 the California Youth Leadership Fund an amount not in excess of  
39 the sum of the amounts designated by individuals pursuant to  
40 Section 18736 for payment into that fund.

1 18738. All moneys transferred to the California Youth  
2 Leadership Fund ~~pursuant to Section 18736~~, upon appropriation  
3 by the Legislature, shall be allocated as follows:

4 (a) To the Franchise Tax Board and the Controller for  
5 reimbursement of all costs incurred by the Franchise Tax Board  
6 and the Controller in connection with their duties under this article.

7 (b) To the State Department of Education to provide for the  
8 California Youth Leadership Project, pursuant to Article 9.5  
9 (commencing with Section 33425) of Chapter 3 of Part 20 of  
10 Division 2 of Title 2 of the Education Code.

11 (c) All moneys allocated pursuant to subdivision (b) of this  
12 section may be carried over from the year in which they were  
13 received.

14 18739. (a) Except as otherwise provided in subdivision (b),  
15 this article shall remain in effect only until January 1 of the fifth  
16 taxable year following the first appearance of the California Youth  
17 Leadership Fund on the tax return, and as of that date is repealed.

18 (b) (1) By September 1 of the second calendar year, and by  
19 September 1 of each subsequent calendar year that the California  
20 Youth Leadership Fund appears on a tax return, the Franchise Tax  
21 Board shall do all of the following:

22 (A) Determine the minimum contribution amount required to  
23 be received during the next calendar year for the fund to appear  
24 on the tax return for the taxable year that includes that next calendar  
25 year.

26 (B) Provide written notification to the State Department of  
27 Education of the amount determined in subparagraph (A).

28 (C) Determine whether the amount of contributions estimated  
29 to be received during the calendar year will equal or exceed the  
30 minimum contribution amount determined by the Franchise Tax  
31 Board for the calendar year pursuant to subparagraph (A). The  
32 Franchise Tax Board shall estimate the amount of contributions  
33 to be received by using the actual amounts received and an estimate  
34 of the contributions that will be received by the end of that calendar  
35 year.

36 (2) If the Franchise Tax Board determines that the amount of  
37 contributions estimated to be received during a calendar year will  
38 not equal or exceed the minimum contribution amount for the  
39 calendar year, this article is repealed with respect to taxable years  
40 beginning on or after January 1 of that calendar year.

1 (3) For purposes of this section, “minimum contribution amount  
2 for the calendar year” means two hundred fifty thousand dollars  
3 (\$250,000) for the second calendar year after the first appearance  
4 of the California Youth Leadership Fund on the personal income  
5 tax return or the adjusted minimum contribution amount adjusted  
6 pursuant to subdivision (c).

7 (c) For each calendar year, beginning with the third calendar  
8 year that the California Youth Leadership Fund appears on the tax  
9 return, the Franchise Tax Board shall adjust, on or before  
10 September 1 of that calendar year, the minimum estimated  
11 contribution amount specified in subdivision (b) as follows:

12 (1) The minimum estimated contribution amount for the calendar  
13 year shall be an amount equal to the product of the minimum  
14 contribution amount for the prior September 1 multiplied by the  
15 inflation factor adjustment as specified in paragraph (2) of  
16 subdivision (h) of Section 17041, rounded off to the nearest dollar.

17 (2) The inflation factor adjustment used for the calendar year  
18 shall be based on the figures for the percentage change in the  
19 California Consumer Price Index received on or before August 1  
20 of the calendar year pursuant to paragraph (1) of subdivision (h)  
21 of Section 17041.

22 (d) Notwithstanding the repeal of this article, any contribution  
23 amounts designated pursuant to this article before its repeal shall  
24 continue to be transferred and disbursed in accordance with this  
25 article as in effect immediately before that repeal.